935

Department of the Treasury
Internal Revenue Service

Publication 935
(February 1989)

Government Pension Adjustment for the Supplemental Medicare Premium

For use with **Publication 934** in planning your **1989** withholding and estimated tax payments

Introduction

If you are eligible for Medicare Part A (hospital insurance) benefits, you may have to pay a supplemental Medicare premium when you file your tax return for 1989. An adjustment is available if you receive a taxable pension from a federal, state, or local government. This adjustment may lower your premium.

This publication will help you figure this lower premium. You will also need Publication 934, *Supplemental Medicare Premium*, to use with this publication. You can order it by calling our toll-free telephone number 1-800-424-3676. Publication 934 will help you decide whether you owe the premium for 1989.

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Figuring Your Adjustment

First, fill in the worksheet in Publication 934, Part I and Part II through line 2. Then figure your adjustment, if any, to the amount on line 2, using the worksheet below. After completing this worksheet, return to Publication 934 to figure your estimated premium.

Married filing jointly. If you expect to file a joint return for 1989 and both of you will be Medicare eligible for more than 6 full months, figure your adjustment using your **combined** government pensions and your **combined** social security and/or equivalent railroad retirement benefits. If only one spouse is Medicare eligible, use **only** that spouse's government pension and social security and/or equivalent benefits to figure your adjustment.

Married filing separately. If you expect to file a separate return for 1989 and you **will** live with your spouse anytime during the year, figure your adjustment using only your own government pension, but use social security and/or equivalent railroad retirement benefits equal to the **larger** of:

1) The amount you will receive, or
2) One-half of the total amount you and your spouse will receive.

If you expect to file a separate return and you **will not** live with your spouse anytime during the year, figure your adjustment as if you were single.

Use this worksheet only if you will get a taxable government pension in 1989

Step 1 – Write the number of the box you checked in Part I of the worksheet in Publication 934 . . . . . **Box** _____

Step 2

- **Read A below to decide whether you can use this worksheet.**
- **If A does not apply to you, read B below.**

A	If your box number in Step 1 above is:	And you will receive social security and/or equivalent railroad retirement benefits in 1989 of **less than**:	Then go to Step 3 and use Government Pension Table:
	Box 1, 3, or 4	$6,000	A (page 3)
	Box 5 or 6	4,500	B (page 3)
	Box 2	9,000 (This amount applies to the combined benefits of both spouses.).	C (page 4)

B If you will receive social security and/or equivalent railroad retirement benefits in 1989 equal to or more than the amounts in A above, **stop here**. You **cannot** use this worksheet. Go back to line 2 of the worksheet in Publication 934 and continue to figure your estimated premium.

Step 3 – Fill in this worksheet if A in Step 2 above applies to you:

1	Enter the amount from the worksheet in Publication 934, Part II, line 2		1	
2	Enter the amount from Government Pension Table A, Table B, or Table C, whichever applies to you	2		
3	Enter your estimated credit for the elderly or the disabled for 1989 (if none, enter zero). If you think your credit will not change by more than a small amount, you can use the amount of the credit from your 1988 return. (See Publication 524 for details on the credit.)	3		
4	Subtract the amount on line 3 from the amount on line 2 and enter the result (but not less than zero)		4	
5	Subtract the amount on line 4 from the amount on line 1 and enter the result (but not less than zero)		5	

Step 4

- **Go to the worksheet in Publication 934 and cross out the amount on line 2 of Part II.**
- **Put the amount from line 5 above on line 2 of the Publication 934 worksheet.**
- **Continue to use the Publication 934 worksheet to figure your estimated premium.**

INSTRUCTIONS for using the following tables to complete Step 3 of the worksheet on page 2

- In the table that applies to you, find the line for the amount of your taxable government pension.
- Read across to the column for your social security and/or equivalent railroad retirement benefits.
- Enter the amount from that column on line 2 of the worksheet.

Government Pension Table A—Use if you entered 1, 3, or 4 in Step 1 of the worksheet

If your taxable government pension will be:		And your social security and/or equivalent railroad retirement benefits will be:											
At least	But less than	Under $500	500 and under 1,000	1,000 and under 1,500	1,500 and under 2,000	2,000 and under 2,500	2,500 and under 3,000	3,000 and under 3,500	3,500 and under 4,000	4,000 and under 4,500	4,500 and under 5,000	5,000 and under 5,500	5,500 and under 6,000
		Enter on line 2 of the worksheet:											
$0	500	$0	0	0	0	0	0	0	0	0	0	0	0
500	1,000	75	0	0	0	0	0	0	0	0	0	0	0
1,000	1,500	150	75	0	0	0	0	0	0	0	0	0	0
1,500	2,000	225	150	75	0	0	0	0	0	0	0	0	0
2,000	2,500	300	225	150	75	0	0	0	0	0	0	0	0
2,500	3,000	375	300	225	150	75	0	0	0	0	0	0	0
3,000	3,500	450	375	300	225	150	75	0	0	0	0	0	0
3,500	4,000	525	450	375	300	225	150	75	0	0	0	0	0
4,000	4,500	600	525	450	375	300	225	150	75	0	0	0	0
4,500	5,000	675	600	525	450	375	300	225	150	75	0	0	0
5,000	5,500	750	675	600	525	450	375	300	225	150	75	0	0
5,500	6,000	825	750	675	600	525	450	375	300	225	150	75	0
6,000 and over		900	825	750	675	600	525	450	375	300	225	150	75

Government Pension Table B—Use if you entered 5 or 6 in Step 1 of the worksheet

If your taxable government pension will be:		And your social security and/or equivalent railroad retirement benefits will be:								
At least	But less than	Under $500	500 and under 1,000	1,000 and under 1,500	1,500 and under 2,000	2,000 and under 2,500	2,500 and under 3,000	3,000 and under 3,500	3,500 and under 4,000	4,000 and under 4,500
		Enter on line 2 of the worksheet:								
$0	500	$0	0	0	0	0	0	0	0	0
500	1,000	75	0	0	0	0	0	0	0	0
1,000	1,500	150	75	0	0	0	0	0	0	0
1,500	2,000	225	150	75	0	0	0	0	0	0
2,000	2,500	300	225	150	75	0	0	0	0	0
2,500	3,000	375	300	225	150	75	0	0	0	0
3,000	3,500	450	375	300	225	150	75	0	0	0
3,500	4,000	525	450	375	300	225	150	75	0	0
4,000	4,500	600	525	450	375	300	225	150	75	0
4,500 and over		675	600	525	450	375	300	225	150	75

INSTRUCTIONS for using the following table to complete Step 3 of the worksheet on page 2

- In the table, find the line for the amount of your taxable government pension.
- Read across to the column for your social security and/or equivalent railroad retirement benefits.
- Enter the amount from that column on line 2 of the worksheet.

Government Pension Table C—Use if you entered 2 in Step 1 of the worksheet

If your taxable government pension will be:		And your social security and/or equivalent railroad retirement benefits will be:																
At least	But less than	Under $500	500 and under 1,000	1,000 and under 1,500	1,500 and under 2,000	2,000 and under 2,500	2,500 and under 3,000	3,000 and under 3,500	3,500 and under 4,000	4,000 and under 4,500	4,500 and under 5,000	5,000 and under 5,500	5,500 and under 6,000	6,000 and under 6,500	6,500 and under 7,000	7,000 and under 7,500	7,500 and under 8,000	8,000 and under 8,500	8,500 and under 9,000
		Enter on line 2 of the worksheet:																
$0	500	$0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
500	1,000	75	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1,000	1,500	150	75	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1,500	2,000	225	150	75	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2,000	2,500	300	225	150	75	0	0	0	0	0	0	0	0	0	0	0	0	0
2,500	3,000	375	300	225	150	75	0	0	0	0	0	0	0	0	0	0	0	0
3,000	3,500	450	375	300	225	150	75	0	0	0	0	0	0	0	0	0	0	0
3,500	4,000	525	450	375	300	225	150	75	0	0	0	0	0	0	0	0	0	0
4,000	4,500	600	525	450	375	300	225	150	75	0	0	0	0	0	0	0	0	0
4,500	5,000	675	600	525	450	375	300	225	150	75	0	0	0	0	0	0	0	0
5,000	5,500	750	675	600	525	450	375	300	225	150	75	0	0	0	0	0	0	0
5,500	6,000	825	750	675	600	525	450	375	300	225	150	75	0	0	0	0	0	0
6,000	6,500	900	825	750	675	600	525	450	375	300	225	150	75	0	0	0	0	0
6,500	7,000	975	900	825	750	675	600	525	450	375	300	225	150	75	0	0	0	0
7,000	7,500	1,050	975	900	825	750	675	600	525	450	375	300	225	150	75	0	0	0
7,500	8,000	1,125	1,050	975	900	825	750	675	600	525	450	375	300	225	150	75	0	0
8,000	8,500	1,200	1,125	1,050	975	900	825	750	675	600	525	450	375	300	225	150	75	0
8,500	9,000	1,275	1,200	1,125	1,050	975	900	825	750	675	600	525	450	375	300	225	150	75
9,000 and over		1,350	1,275	1,200	1,125	1,050	975	900	825	750	675	600	525	450	375	300	225	150	75

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